GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:56
ANSWERED ON:03.12.2004
DIFFICULTIES OF A NON-PAN HOLDER IN MAKING DEPOSITS WITH BANKS/POST OFFICES
Mishra Dr. Rajesh Kumar

Will the Minister of FINANCE be pleased to state:

(a) whether the Permanent Account Number (PAN) is an essential pre-requisite for opening account and making deposits with banks/post offices;

(b) if so, whether majority of people in urban as well as in rural areas, particularly in agricultural sector do not fall in tax net and thus are not allotted the PAN due to which they are facing lot of difficulties in opening accounts and making deposits with banks/post offices.

(c) If so, whether the Government propose to exempt the non-PAN holders from the requirement of PAN for opening accounts in banks/post offices to encourage saving among them; and

(d) If not, the reasons therefor?

Answer

MINISTER Of FINANCE (SHRI P.CHIDAM8ARAM)

(a), (b), (c) & (d): A Statement is laid on the Table of the House as per Annexure.

ANNEXURE

STATEMENT TO THE LOK SABHA STARRED QUESTION NO. 56 TO BE ANSWERED ON THE 3RD DECEMBER, 2004

(a) Persons not having Permanent Account Number (PAN) can also open an account/make deposits with banks/post offices by furnishing a declaration in Form No.60 of Income Tax Rules, 1962.

(b) Persons who have agricultural income and are not in receipt of income chargeable to income-tax, are not required to obtain PAN for opening an account and making deposits with banks/post offices. Only a declaration in Form No.61 of Income Tax Rules, 1962 has to be made by such persons. However, PAN can be allotted to any person whether or not his income is liable to tax.

(c)&(d) In view of the provisions mentioned at (a) and (b) above, having PAN is not compulsory for opening account in banks/post offices.